



West Virginia Parkways Authority

REQUEST FOR PROPOSALS

The West Virginia Parkways Authority will receive sealed proposals for the following:

INVESTMENT MANAGEMENT AND/OR CUSTODIAL SERVICES

Proposals will be received at the office of the West Virginia Parkways Authority, Administration Building, 3310 Piedmont Rd, Charleston, WV until **2PM on April 25th, 2019**. If proposals are mailed via the U. S. Postal Service regular mail, they must be addressed to the WV Parkways Authority, P. O. Box 1469, Charleston, WV 25325. This mail is picked up by the Authority once a day between 7:00 and 8:00 a.m. However, Drop-Off, Express Mail One Day Service, Federal Express, United Parcel Service (UPS), etc. must be delivered / sent to the WV Parkways Authority, 3310 Piedmont Rd., Charleston, WV 25306. Fax or emailed bids will not be accepted.

It shall be every Proposer's responsibility to determine their method of transmittal such that their bids will arrive in the Authority's office prior to the scheduled bid opening. The Authority cannot waive or excuse late receipt of a proposal which is delayed and late for any reason. Late submissions will not be accepted and will be returned unopened. Any proposal received after the proposal opening date and time will be immediately disqualified in accordance with applicable law and administrative rules and regulations applicable to the Authority. Changes to the Request for Proposal may be posted at any time to our website www.wvturnpike.com under the Purchasing tab. It is the Proposer's responsibility to check the website for any addenda to the RFP. Any addendum issued must be signed and submitted with your RFP.

All proposals **must** be enclosed in a sealed envelope. The outside of the envelope must include the name and address of the proposer and clearly marked as follows:

ATTN: Purchasing Department

RFP: INVESTMENT MANAGEMENT AND/OR CUSTODIAL SERVICES

BID OPENING DATE: 4/25/19

The West Virginia Parkways Authority reserves the right to reject any and/or all proposals. Successful Proposers are responsible for all toll charges incurred while providing goods or services to the West Virginia Parkways Authority.

The WVPA is an Equal Opportunity Employer.

West Virginia Parkways Authority

REQUEST FOR PROPOSALS

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REQUEST FOR PROPOSAL

INVESTMENT MANAGER AND/OR CUSTODIAL SERVICES FOR INVESTMENTS

PART 1: GENERAL INFORMATION, TERMS AND CONDITIONS

1.1 Purpose:

The Purchasing Department of the West Virginia Parkways Authority, ("Authority"), is soliciting qualified firm(s) with experience and interest to present their qualifications and capabilities to provide Investment Management and/or Custodial Services for Investments. This solicitation serves as notice, pursuant to West Virginia Code §5A-3-10c, of the commodity or service being sought and is to be considered the opportunity for vendors to indicate their interest in bidding on such commodity or service.

1.2 Project:

The Authority's investment portfolio has a current market value of approximately \$50,000,000. The Investment Manager will assist the Authority to comply with the Investment Objectives for its portfolio in accordance with Section 2.00 of the Authority's Investment Policy as follows:

"Funds of the Authority will be invested only in securities identified as permitted investments in (i) Article 16-A, Chapter 17 of the Code of West Virginia, 1931 as amended, (the "Act"), (ii) the Master Trust Indenture dated August 1, 2018, including Supplemental Indentures as may be permitted therein or (iii) any municipal bond insurance policy that guarantees all or any portion of principal and interest on bonds of the Parkways Authority, as applicable.

The Parkways Authority investment portfolio shall be managed to accomplish the following hierarchy of objectives:

- *Preservation of Principal.* Safety of principal is the foremost objective of the Authority and the investment program of the Authority will be structured in such a way as to insure the preservation of capital in the overall portfolio. To limit the risk of capital loss, funds will be invested only in high quality instruments and within the maturity constraints determined by the Finance Committee.
- *Liquidity.* Investments shall be made in a manner that assures that funds are available as needed to meet immediate or future payment requirements including payroll, maintenance, accounts payable, capital projects, debt service and any arbitrage rebate liability that may be incurred.
- *Return.* The investment portfolio shall be designed to attain a market average rate of return throughout budgetary and economic cycles, taking into account investment risk constraints and the cash flow characteristics of the portfolio.

1.3 RFP Format:

This RFP has four parts. “Part 1” contains general information, terms and conditions; “Part 2” describes the background and working environment of the WVPA; “Part 3” is a statement of the specifications for the services requested pursuant to this RFP, contractual requirements, and special terms and conditions; and “Part 4” explains the required format of the Proposer’s response to the RFP, the evaluation criteria the Authority will use in evaluating the proposals received and how the evaluation will be conducted.

1.4 Inquiries:

Additional information inquiries regarding specifications of this RFP must be submitted in writing to the Authority with the exception of questions regarding the proposal submission which may be oral. The deadline for written inquiries is identified in the Schedule of Events, Section 1.16. All inquiries of specification clarification must be addressed to:

Margaret Vickers,
Director of Purchasing
West Virginia Parkways Authority
mvickers@wvturnpike.com

The vendor, or anyone on the vendor’s behalf, is not permitted to make any contact whatsoever with any member of the evaluation committee. **Violation may result in rejection of the bid. The Director named above is the sole contact for any and all inquiries after this RFP has been released.**

1.5 Vendor Registration:

Vendors participating in this process should complete and file a ***Vendor Registration and Disclosure Statement*** (Form WV-1) and remit the registration fee. Vendor is required to be a registered vendor in order to submit a proposal. A copy of the registration should be submitted with each proposal.

1.6 Oral Statements and Commitments:

Vendor must clearly understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor’s representatives and any Authority personnel is **not** binding. Only the information issued in writing and added to the Request for Proposal specifications file by an official written addendum are binding.

1.7 Economy of Preparation:

Proposals should be prepared simply and economically, providing a straightforward, concise description of Vendor’s abilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

1.8 Labeling of RFP Sections:

The sections within this RFP contain instructions governing how the Vendor's proposal is to be arranged, submitted and to identify the material to be included therein.

1.8.1 Mandatory Requirements.

The mandatory sections included in part 3 and 4 require a response, and they describe the minimum requirements requested in this RFP. Any specification or statement containing the word “must”, “shall”, or “will” are mandatory. The Vendor is required to meet the mandatory specifications in order to be eligible

for consideration and to continue in the evaluation process. A simple “yes” or “no” response to these sections is not adequate. Failure to meet mandatory items shall result in disqualification of the Vendor's proposal and the evaluation process terminated for that vendor. Decisions regarding compliance with the intent of any mandatory specification shall be at the sole discretion of the Authority.

1.8.2 Contract Terms and Conditions:

This Request for Proposals contains the contractual terms and conditions under which the Authority will enter into a contract.

1.8.3 Informational Sections:

All non-mandatory information specifications do not require a response from the Vendor. They are intended to aid the vendor in structuring an effective proposal capable of meeting the needs of the Authority.

1.9 Proposal Format and Submission:

1.9.1 Vendors must complete a response to all mandatory specifications in order to be considered. Each proposal should be formatted in accordance with the outline in Part 4 of this RFP. No other arrangement or distribution of the proposal information may be made by the bidder. Failure on the part of the bidder to respond to specific requirements detailed in the RFP may be the basis for disqualification of the proposal. The Authority reserves the right to waive any informality in the proposal format and minor irregularities.

1.9.2 State law requires that the original technical and cost proposal be submitted to the Authority. All proposals must be submitted to the Authority **prior** to the date and time stipulated in the RFP as the opening date. All bids will be dated and time stamped to verify official time and date of receipt.

1.9.3 Vendors mailing proposals should allow sufficient time for mail delivery to ensure timely arrival. In accordance with West Virginia Code §5A-3-11, the Authority cannot waive or excuse late receipt of a proposal which is delayed and late for any reason. Any proposal received after the bid opening date and time will be immediately disqualified in accordance with State law and applicable administrative rules and regulations.

Vendors responding to this RFP shall submit:

One original unbound technical proposal plus five (5) convenience copies and one cost proposal (under separate cover) to:

Margaret Vickers,
Director of Purchasing
West Virginia Parkways Authority
3310 Piedmont Road
Charleston, WV 25306

The outside of the envelope or package(s) should be clearly marked: **INVESTMENT MANAGER**

1.9.4. *Best Value Purchasing Standard Format*

All Requests for Proposals should follow the format as detailed by the Authority and as defined in Part 4 of the RFP.

1.9.4.1 *Evaluation Criteria:* All evaluation criteria are defined and disclosed in the specifications section and are based on a 100 point total score. Cost shall represent 40 of the 100 total points in the criteria.

1.9.4.2 *Proposal Format and Content:* Proposals are required to be submitted in two distinct parts: Technical and Cost. Each portion shall be sealed in a separate envelope labeled either as “Technical” or “Cost” as applicable. The “cost” envelope will not be opened initially.

1.9.4.3 *Technical Bid Opening:* The Purchasing Department will open only the technical proposals on the date and time specified in Section 1.16: Schedule of Events. The Purchasing Department representative will read aloud the names of those who responded to the solicitation. The Purchasing Department representative will confirm that the original packages contain a separately sealed cost proposal prior to providing the courtesy copies to the committee to begin the evaluation process.

1.9.4.4 *Technical Evaluation:* The pre-selected, evaluation committee will review the technical proposals, deduct appropriate points for deficiencies and make a final written consensus recommendation to the Authority’s General Manager.

1.9.4.5 *Cost Evaluation and Resident Vendor Preference:* The evaluation committee will review the cost proposals, assign appropriate points and make a final consensus recommendation to the General Manager. In accordance with West Virginia Code §5A-3-37, the Purchasing Department will make the determination of the Resident Vendor Preference, if applicable. Resident Vendor Preference provides an opportunity for qualifying vendors to request at the time of bid preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the West Virginia Code. A certificate of application is used to request this preference. A West Virginia vendor may be eligible for two 2.5% preferences in the evaluation process.

1.9.4.6 *Contract Approval and Award:* After the cost proposals have been opened, the evaluation committee will complete its review and prepare the final evaluation making its recommendation for contract award based on the highest scoring vendor. The final evaluation will be submitted to the General Manager. Once approved by the General Manager, the final evaluation must be reviewed and approved by an affirmative vote of the Authority’s Members. The contract will be prepared, forwarded to the Authority’s General Counsel for approval as to form, and then signed by the General Manager and mailed to the appropriate parties.

1.10 *Rejection of Proposals:*

The Authority shall select the best value solution according to the evaluation criteria. However, the Authority reserves the right to accept or reject any or all proposals, in part or in whole at its discretion. The Authority reserves the right to withdraw this RFP at any time and for any reason. Submission of, or receipt by the Authority of proposals confers no rights upon the proposers nor does it obligate the Authority in any manner.

A contract based on the RFP and the Vendor’s proposal, may or may not be awarded. Any contract resulting in an award from this RFP is not valid until properly approved and executed as provided for in the paragraph above.

1.11 Incurring Costs:

Any proposer responding to this RFP must be prepared to absorb all its own expenses to prepare, deliver the proposal, or to attend any mandatory pre-bid meeting or oral presentations. The Authority will not be responsible for any such expenses regardless of the outcome of the submission.

1.12 Addenda:

If it becomes necessary to revise any part of this RFP, an official written addendum will be issued by the Authority to all proposers of record.

1.13 Independent Price Determination:

A proposal will not be considered for award if the price in the proposal was not arrived at independently without collusion, consultation, communication or agreement as to any matter relating to prices with any competitor unless the proposal is submitted as a joint venture.

1.14 Price Quotations:

The price(s) quoted in the proposer's proposal will not be subject to any increase and will be considered firm for the life of the contract unless specific provisions have been provided for adjustment in the original proposal and contract.

1.15 Public Record:

1.15.1 Submissions are Public Record.

All documents submitted to the Authority related to purchase orders or contracts are considered public records. All bids, proposals or offers submitted by vendors shall become public information and are available for inspection during normal official business hours in the Purchasing Department after the award of the contract is final.

1.15.2 Written Release of Information.

All public information may be released with or without a Freedom of Information request. Duplication fees shall apply to all requests for copies of any document. Currently the fees are \$0.50/page, or a minimum of \$10.00 per request whichever is greater.

1.15.3 Risk of Disclosure.

The only exemptions to disclosure of information are listed in West Virginia Code §29B-1-4. Primarily, only trade secrets, as submitted by a bidder, are exempt to public disclosure. The submission of any information to the Authority by a vendor puts the risk of disclosure on the vendor. The Authority cannot guarantee non-disclosure of any information to the public.

1.16 Schedule of Events:

Release of the RFP	3/29/19
Firm's Written Questions Submission Deadline.....	4/12/19 4PM
Response to questions	4/17/19 4PM
Addendum Issued (if required)	4/19/19 4PM
Proposal Due Date.....	4/25/19 2PM
Date for Oral Interviews (at the option of the Authority)	TBD
Anticipated Board Decision	5/9/19

*Proposers will be notified once the date has been scheduled for event listed as TBD (To Be Determined).

1.17 Mandatory Pre-bid Conference:

No mandatory pre-bid conference shall be conducted. Additional information inquiries will be answered in accordance with Section 1.4: Inquiries.

1.18 Purchasing Affidavit:

West Virginia Code §5A-3-10a requires that all bidders submit an affidavit regarding any debt owed to the State or the Authority. The affidavit must be signed and submitted with the proposal.

1.19 General Terms and Conditions:

By signing and submitting its proposal, the successful Vendor agrees to be bound by all the terms contained in this RFP.

1.19.1 Conflict of Interest:

Vendor must affirm that it, its officers or members or employees presently have no interest and shall not acquire any interest, direct or indirect, which would conflict with or compromise in any manner or degree with the performance of its services hereunder. The Vendor further covenants that in the performance of the contract, the Vendor shall periodically inquire of its officers, members and employees concerning such interests. Any such interests discovered shall be promptly presented in a detailed report to the Authority.

1.19.2 Prohibition Against Gratuities:

Vendor warrants that it has not employed any company or person other than a bona fide employee working solely for the vendor or a company regularly employed as its marketing agent to solicit or secure the contract and that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award of the contract.

For breach or violation of this warranty, the Authority shall have the right to annul this contract without liability at its discretion or to pursue any other remedies available under this contract or provided by law.

1.19.3 Vendor Relationship:

The relationship of the Vendor to the Authority shall be that partnership of an independent contractor and no principal-agent relationship, employer-employee relationship or joint venture is contemplated or created by the parties to this contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents.

Vendor shall be responsible for selecting, supervising and compensating any and all individuals employed pursuant to the terms of this RFP and resulting contract. Neither the Vendor, nor any employees or contractors of the vendor, shall be deemed to be employees of the Authority for any purposes whatsoever.

Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, and licensing fees, etc. and the filing of all necessary documents, forms and returns pertaining to all of the foregoing.

Vendor shall hold harmless the Authority, and shall provide the Authority with a defense against any and all claims including but not limited to the foregoing payments, withholdings, contributions, taxes, social security taxes and employer income tax returns.

The Vendor shall not assign, convey, transfer or delegate any of its responsibilities and obligations under this contract to any person, corporation, partnership, association or entity without expressed written consent of the Authority.

1.19.4 Indemnification:

The Vendor agrees to indemnify, defend and hold harmless the Authority, its members, officers, agents and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person or firm performing or supplying services, materials or supplies in connection with the performance of the contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use or disposition of any data used under the contract in a manner not authorized by the contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees or subcontractors to observe State and Federal laws, including but not limited to labor and wage laws. The foregoing indemnification shall include the defense and settlement of all such claims, damages and recourse as well as satisfaction thereof and shall not be limited by the terms and limits of any insurance coverage.

1.19.5 Contract Provisions:

After the successful Vendor is selected, a formal contract document will be executed between the Authority and the Vendor. In addition, the RFP and the Vendor's response will be included as part of the contract by reference. The order of precedence is the contract, the RFP and the Vendor's proposal in response to the RFP.

1.19.6 Governing Law:

This contract shall be governed by the laws of the State of West Virginia. The Vendor further agrees to comply with the Civil Rights Act of 1964 and all other applicable laws and regulations, Federal, State and Local Government.

1.19.7 Compliance with Laws and Regulations:

The vendor shall procure all necessary permits and licenses to comply with all applicable laws, Federal, State or municipal, along with all regulations, and ordinances of any regulating body.

The Vendor shall pay any applicable sales, use or personal property taxes arising out of this contract and the transactions contemplated thereby. Any other taxes levied upon this contract, the transaction, or the equipment, or services delivered pursuant hereto shall be borne by the contractor. It is clearly understood that the Authority is exempt from any taxes regarding performance of the scope of work of the contract contemplated by this RFP.

1.19.8 Subcontracts/Joint Ventures:

The Vendor is solely responsible for all work performed under the contract and shall assume prime contractor responsibility for all services offered and products to be delivered under the terms of this contract. The Authority will consider the Vendor to be the sole point of contact with regard to all contractual matters. The Vendor may, with the prior written consent of the Authority, which may be denied for any reason or no reason, enter into written subcontracts for performance of work under this contract; however, the vendor is totally responsible for payment of all subcontractors.

1.19.9 Term of Contract & Renewals:

This contract will be effective upon execution by both parties and a notice to proceed from the Authority and shall extend for the period of three (3) years, at which time the contract may, upon mutual consent, be renewed. Such renewals are for a period of up to one (1) year, with a maximum of two (2) one year renewals, or until such reasonable time thereafter as is necessary to obtain a new contract. The "reasonable

time” period shall not exceed twelve (12) months. During the “reasonable time” period Vendor may terminate the contract for any reason upon giving the Agency ninety (90) days written notice. Notice by Vendor of intent to terminate will not relieve Vendor of the obligation to continue to provide services pursuant to the terms of the contract.

Any change in Federal or State law, or court actions which constitute binding precedent in West Virginia, and which significantly alters the Vendor's required activities or any change in the availability of funds, shall be viewed as binding and shall warrant good faith renegotiation of the compensation paid to the Vendor by the Authority and of such other provisions of the contract that are affected. If such renegotiation proves unsuccessful, the contract may be terminated by the Authority upon written notice to the Vendor at least thirty (30) days prior to termination of this contract.

1.19.10 *Non-Appropriation of Funds:*

If the Authority is not allotted funds in any succeeding fiscal year for the continued use of the service covered by this contract by its Board, the Authority may terminate the contract at the end of the affected current fiscal period without further charge or penalty. The Authority shall give the vendor written notice of such non-allocation of funds as soon as possible after the Authority receives notice. No penalty shall accrue to the Authority in the event this provision is exercised.

1.19.11 *Contract Termination:*

The Authority may terminate any contract resulting from this RFP immediately at any time the Vendor fails to carry out its responsibilities or to make substantial progress under the terms of this RFP and resulting contract. The Authority shall provide the Vendor with advance notice of performance conditions which are endangering the contract's continuation. If after such notice the Vendor fails to remedy the conditions contained in the notice, within the time period contained in the notice, the Authority shall issue the Vendor an order to cease and desist any and all work immediately. The Authority shall be obligated only for services rendered and accepted prior to the date of the notice of termination.

The contract may also be terminated by the Authority with thirty (30) days prior notice, for convenience of the Authority.

1.19.12 *Changes:*

If changes to the original contract become necessary, a formal contract change order or amendment may be negotiated by the Authority and the Vendor, to address changes to the terms and conditions and costs of work included under the contract. An approved contract change order is defined as one approved and signed by the Authority, and signed by the vendor prior to its effective date. An approved contract change order is required whenever the change affects the payment provision or the scope of the work. Such changes may be necessitated by new and amended Federal and State regulations and requirements.

As soon as possible after receipt of a written change order request from the Agency, but in no event more than thirty (30) days thereafter, the Vendor shall determine if there is an impact on price with the change order requested and provide the Authority a written statement identifying any price impact on the contract or to state that there is no impact. In the event that price will be impacted by the change, the Vendor shall provide a description of the price increase or decrease involved in implementing the requested change.

NO CHANGE SHALL BE IMPLEMENTED BY THE VENDOR UNTIL SUCH TIME AS THE VENDOR RECEIVES AN APPROVED WRITTEN CHANGE ORDER.

1.19.13 *Invoices:*

The Vendor shall submit invoices, in arrears, to the Authority at the address on the face of the purchase order labeled “Invoice To” pursuant to the terms of the contract. Invoices may not be submitted more than once monthly and State law prohibits payment of invoices prior to receipt of services.

1.19.14 *Record Retention (Access & Confidentiality):*

Vendor shall comply with all applicable Federal and State of West Virginia rules and regulations, and requirements governing the maintenance of documentation to verify any cost of services or commodities rendered under this contract by Vendor. The Vendor shall maintain such records a minimum of five (5) years and make available all records to Authority personnel at Vendor’s location during normal business hours upon written request by Authority within 10 days after receipt of the request.

Vendor shall have access to private and confidential data maintained by Agency to the extent required for Vendor to carry out the duties and responsibilities defined in this contract. Vendor agrees to maintain confidentiality and security of the data made available and shall indemnify and hold harmless the Authority against any and all claims brought by any party attributed to actions of breach of confidentiality by the Vendor, subcontractors or individuals permitted access by Vendor.

PART 2: OPERATING ENVIRONMENT

2.1 *Location:*

The Parkways Authority Headquarters are located at 3310 Piedmont Road, Charleston, WV 25306-6633.

2.2 *Background:*

On June 1, 1989, the Authority was formed under the name “West Virginia Parkways, Economic Development and Tourism Authority,” as the successor-in-interest to the Turnpike Commission which had been created by the West Virginia Legislature in 1947. The duties, powers and functions of the Turnpike Commission were transferred to the Authority and the Authority assumed all assets, property, obligations, indebtedness and other liabilities of the Turnpike Commission as of June 1, 1989. Personnel of the Turnpike Commission were also assumed by and transferred to the Authority. Upon its creation on June 1, 1989, the Authority replaced the Turnpike Commission in the mission of operating the Turnpike. During the regular session of the 2010 State Legislature, Senate Bill 427 was enacted to amend and reenact certain sections of the State Code effective July 1, 2010, which, among other things, renamed the Authority to its current name of the “West Virginia Parkways Authority.”

On June 22, 2017, West Virginia Governor Jim Justice signed Senate Bill 1003 (S.B. 1003) into law, creating a “public-public” partnership between the Authority and the West Virginia Department of Transportation. Effective June 16, 2017, S.B. 1003 authorizes the Authority to continue collecting tolls on the Turnpike, to deposit proceeds from the issuance of Parkways Revenue Bonds to the newly created special State Road Construction Account and requires the Authority to implement the West Virginia Parkways Authority Single Fee program allowing non-commercial purchasers of West Virginia E-ZPass transponders to have unlimited passage on toll roads within the State for an annual flat fee once the Authority increases any of its currently existing tolling rates.

On August 14, 2018, the Authority issued \$166.4 million Senior Lien Turnpike Toll Revenue Bonds with net original issue premium of \$18.0 million. \$172.0 million was deposited to the State Road Construction Account. The proceeds will be used to finance the costs of construction by the Division of Highways of transportation projects located not on the Turnpike but only in ten West Virginia counties adjacent to or with a nexus to the Turnpike.

PART 3: PROCUREMENT SPECIFICATIONS

3.1 General Requirements:

Within the framework of the Authority's investment constraints and in accordance with the Master Trust Indenture, the investment objectives of the Authority will be:

1. To assure safety and repayment of principal;
2. To provide needed liquidity; and
3. To attain a market average rate of return throughout budgetary and economic cycles.

3.2 Scope of Work:

Specific services, although not all-inclusive, are to be performed as follows:

- Assist the Authority with cash flow/maturity analysis;
- Provide credit analysis of investment instruments in portfolio;
- Provide monthly/quarterly/annual reporting on Authority funds;
- Attend meetings with Authority staff/officials;
- Prepare market risk evaluations and develop strategies that minimizes impact on the portfolio;
- Assure portfolio compliance with applicable policies and laws;
- Establish an appropriate performance benchmark;
- Review investment policy – recommend appropriate amendments;
- Ensure portfolio structure matches Authority objectives.

3.3 Special Terms and Conditions:

3.3.1 Bid and Performance Bonds:

No bid or performance bonds will be required.

3.3.2 Insurance Requirements:

The investment manager shall maintain current fidelity bond and current errors and omissions insurance coverage, if satisfactory to the Authority. If not satisfactory, vendor will be notified to make changes.

3.3.3 License Requirements:

The investment manager must be registered as an investment advisor under the Investment Advisor's Act of 1940 and with the Securities' Commission of West Virginia unless exempt from such registration. The Investment Manager will maintain all required registrations during the entire term of the contract.

PART 4: PROPOSAL FORMAT

4.1 *Vendor's Proposal Format:*

Please format your response to this RFP in the following manner:

1. Organization

- 1.1. Provide the name of your company, complete address, telephone number, fax number, and email address, principal of the company and main contact person.
- 1.2. Provide a brief history of your firm including the year organized, the year the firm began managing fixed income institutional accounts for U.S. tax-exempt clients, the nature of the firm's ownership and specific details with regard to any affiliated companies.
- 1.3. Please describe the organizational structure of the firm and the investment services offered.
- 1.4. Please discuss briefly the overall business objectives and mission statement of your firm.
- 1.5. Please discuss any current or prior business relationships with the State of West Virginia and/or any of its operating authorities. If the firm has been involved in the termination (by either party) of services to the State and/or its operating authorities, include in your response a description of the circumstances surrounding the termination. Please indicate any potential conflicts of interest your firm may have in the management of this account.
- 1.6. Describe your firm's revenue sources (e.g., investment management, institutional research, etc.) and comment on your firm's financial condition.
- 1.7. Over the last three years, describe any SEC investigation, censure or litigation involving your firm's investment activities.
- 1.8. Describe the dollar amounts of insurance coverage for errors and omissions and fiduciary liability which your firm carries. List the insurance carriers providing the coverage. Is your firm bonded? If so describe the details of the bond(s).
- 1.9. Please identify the types of accounts primarily sought by your firm.

2. Personnel

- 2.1. Identify the number of professionals employed by your firm, by classification.
- 2.2. Provide biographical information on investment professionals that will be involved in the decision-making process for the Authority's portfolio.
- 2.3. Please describe your firm's compensation policies for investment professionals.
- 2.4. Please list the investment professionals by title that have left or joined the cash management department during the past year.

3. Assets Under Management

- 3.1. Provide the number and type of accounts and total market value of all investment products under your management as of December 31, 2018.
- 3.2. Provide the number of accounts, total market value and account/asset growth and other performance statistics of fixed income and cash management portfolios under your management as of December 31, 2018 and for each of the last five years. Also provide annualized total returns for the 3 year and 5 year periods. Provide benchmark data for the same period. Separately show figures for tax-exempt clients.
- 3.3. Who are your five largest tax-exempt clients and what are the current dollar amounts of these accounts?

4. Philosophy/Approach

- 4.1. Describe the investment philosophy and strategy for your fixed income products having a maturity of one year or less. Please provide performance for each of the last five years.
- 4.2. Describe the investment philosophy and strategy for your fixed income products having a maturity of greater than one year. Please provide performance for each of the last five years.
- 4.3. Describe your investment decision-making process in detail including your security selection criteria, the portfolio review process, and your buy and sell disciplines. In particular, describe the role of interest rate outlook in your investment decision. List, define and assign relative percentage weights to the importance of key investment criteria.
- 4.4. What is the most appropriate benchmark for your domestic fixed income accounts? Describe the importance of benchmarking in the investment decision.
- 4.5. Describe the unique components of your strategy that allow your firm to attain superior performance relative to your assigned benchmark index.
- 4.6. Describe your research capabilities, as they would pertain to the Authority's portfolio.
- 4.7. Please provide a list of the commonly used securities within your cash management investment process.
- 4.8. How do you control total portfolio risk?
- 4.9. How do you monitor the credit quality of holdings in the portfolio?

5. Portfolio Management

- 5.1. Are portfolios managed by teams or one individual?
- 5.2. What is the average number of accounts handled per manager?

- 5.3. What is your approach to client servicing? Who will personally visit with Authority staff? How frequently are you willing to meet?
- 5.4. Describe procedures used to ensure that portfolios comply with organizational policy and client investment objectives and guidelines.

6. References

- 6.1. Please provide three references, including length of time managing their assets, client name, address and phone number.

7. Trading

- 7.1. Describe your process for ensuring best execution and for minimizing trading cost.
- 7.2. List the brokers you use and explain the reason they are selected. What was the percentage of trading business you did with each of them for the year 2018?

8. Performance Reporting

- 8.1. Describe how you typically report performance? Please provide a sample monthly client report furnished by your firm. (Accounting reports must be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and in compliance with Government Accounting Standards Board (GASB) pronouncements.
- 8.2. Are you willing to develop reporting procedures in line with the Authority's needs and objectives? Is web based reporting available?

4.2 *Evaluation Process:*

4.2.1 Method of Evaluation:

The proposals will be evaluated by a committee of at least three (3) individuals in accordance with the criteria stated. The Vendor who meets all the mandatory specifications and attains the highest point score of all vendors shall be awarded the contract. The selection of the successful vendor will be made by a consensus of the evaluation committee.

4.3 *Evaluation Criteria:*

The following are the evaluation factors and maximum points possible for technical point scores:

The evaluation criteria shall be based on a total of 100 points. The evaluation criteria and assigned point values are as follows:

<u>Evaluation Criteria</u>	<u>Point Value</u>
Experience of firm and individuals assigned with emphasis on public portfolio investment experience	25
Understanding scope of the assignment	10
Recommended approach to management of the portfolio	15
Oral Presentation	10
Cost	40
Maximum score	100

QUALIFICATION FACTOR FOR SCORING RANGE GUIDELINES				
QUALIFICATION FACTOR	TOTAL POINTS POSSIBLE	RANGE		
Experience and qualifications	25	1-7	8-16	17-25
		Meets minimum requirements in few areas	Meets requirements in certain areas	Meets requirements in most areas
Understanding the scope of the assignment	10	1-3	4-6	7-10
		Meets minimum requirements in few areas	Meets requirements in certain areas	Meets requirements in most areas
Recommended approach to management of portfolio	15	1-4	5-9	10-15
		Meets minimum requirements in few areas	Meets requirements in certain areas	Meets requirements in most areas
Oral Presentation	10	1-3	4-6	7-10
		Meets minimum requirements in few areas	Meets requirements in certain areas	Meets requirements in most areas
Cost	40	See Formula Below		

Each cost proposal will be scored by use of the following formula for all vendors who attained the minimum acceptable score:

Lowest price of all proposals

----- X 40 = Price Score

Price of Proposal being evaluated

4.4 Minimum Acceptable Score:

Vendors must score a minimum of 70% of the total technical points possible. The technical points are listed above in Section 4.3. The minimum qualifying score on the technical portion is 42 points. All vendors not attaining the minimum acceptable score (MAS) shall be disqualified and removed from further consideration.

The Authority will select the successful vendor's proposal based on best value purchasing which is not necessarily the vendor with the lowest price. Cost is considered but is not the sole determining factor for award. The Authority reserves the right to accept or reject any or all of the proposals, in whole or in part, without prejudice, if to do so is felt to be in the best interests of the Authority.

Vendor's failure to provide complete and accurate information may be considered grounds for disqualification. The Authority reserves the right, if necessary, to ask vendors for additional information to clarify their proposals.

4.5. Cost Proposal Format/Bid Sheets

Cost proposal bid sheets are to be on a separate page and should be submitted independently from the technical proposal. Proposals should include a separate fee structure for Investment Management and/or Custodial Services.

4.5.1 Provide a fee schedule for balances from \$0 - \$100 million (stated as a percentage of the portfolio assets and state the formula you would use).

4.5.2 Provide a fee schedule for custodial services.

Gregory C. Barr, General Manager

BID SUBMISSION PAGE

INVESTMENT MANAGEMENT AND/OR CUSTODIAL SERVICES

BID OPENING: 2:00 pm April 25th, 2019

SUBMITTED BY:

COMPANY NAME _____

ADDRESS _____

PHONE NUMBER _____

FAX NUMBER _____

EMAIL ADDRESS _____

COMPANY CONTACT _____

SIGNATURE _____

VENDOR REGISTRATION _____

www.wvoasis.gov

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

CONSTRUCTION CONTRACTS: Under W. Va. Code § 5-22-1(i), the contracting public entity shall not award a construction contract to any bidder that is known to be in default on any monetary obligation owed to the state or a political subdivision of the state, including, but not limited to, obligations related to payroll taxes, property taxes, sales and use taxes, fire service fees, or other fines or fees.

ALL CONTRACTS: Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

EXCEPTION: The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (*W. Va. Code §61-5-3*) that: (1) for construction contracts, the vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: _____

Authorized Signature: _____ Date: _____

State of _____

County of _____, to-wit:

Taken, subscribed, and sworn to before me this ____ day of _____, 20____.

My Commission expires _____, 20____.

AFFIX SEAL HERE

NOTARY PUBLIC _____

Purchasing Affidavit (Revised 01/19/2018)

AGREEMENT ADDENDUM

In the event of conflict between this addendum and the agreement, this addendum shall control:

1. **DISPUTES** - Any references in the agreement to arbitration or to the jurisdiction of any court are hereby deleted.
2. **HOLD HARMLESS** - Any provision requiring the Agency to indemnify or hold harmless any party is hereby deleted in its entirety.
3. **GOVERNING LAW** - The agreement shall be governed by the laws of the State of West Virginia. This provision replaces any references to any other State's governing law.
4. **TAXES** - Provisions in the agreement requiring the Agency to pay taxes are deleted. As a State entity, the Agency is exempt from Federal, State, and local taxes and will not pay taxes for any Vendor including individuals, nor will the Agency file any tax returns or reports on behalf of Vendor or any other party.
5. **PAYMENT** - Any references to prepayment are deleted. Payment will be in arrears.
6. **INTEREST** - Any provision for interest or charges on late payments is deleted. The Agency has no statutory authority to pay interest or late fees.
7. **NO WAIVER** - Any language in the agreement requiring the Agency to waive any rights, claims or defenses is hereby deleted.
8. **FISCAL YEAR FUNDING** - Service performed under the agreement may be continued in succeeding fiscal years for the term of the agreement, contingent upon funds being appropriated by the Legislature or otherwise being available for this service. In the event funds are not appropriated or otherwise available for this service, the agreement shall terminate without penalty on June 30. After that date, the agreement becomes of no effect and is null and void. However, the Agency agrees to use its best efforts to have the amounts contemplated under the agreement included in its budget. Non-appropriation or non-funding shall not be considered an event of default.
9. **STATUTE OF LIMITATION** - Any clauses limiting the time in which the Agency may bring suit against the Vendor, lessor, individual, or any other party are deleted.
10. **SIMILAR SERVICES** - Any provisions limiting the Agency's right to obtain similar services or equipment in the event of default or non-funding during the term of the agreement are hereby deleted.
11. **FEES OR COSTS** - The Agency recognizes an obligation to pay attorney's fees or costs only when assessed by a court of competent jurisdiction. Any other provision is invalid and considered null and void.
12. **ASSIGNMENT** - Notwithstanding any clause to the contrary, the Agency reserves the right to assign the agreement to another State of West Virginia agency, board or commission upon thirty (30) days written notice to the Vendor and Vendor shall obtain the written consent of Agency prior to assigning the agreement.
13. **LIMITATION OF LIABILITY** - The Agency, as a State entity, cannot agree to assume the potential liability of a Vendor. Accordingly, any provision limiting the Vendor's liability for direct damages to a certain dollar amount or to the amount of the agreement is hereby deleted. Limitations on special, incidental or consequential damages are acceptable. In addition, any limitation is null and void to the extent that it precludes any action for injury to persons or for damages to personal property.
14. **RIGHT TO TERMINATE** - Agency shall have the right to terminate the agreement upon thirty (30) days written notice to Vendor. Agency agrees to pay Vendor for services rendered or goods received prior to the effective date of termination.
15. **TERMINATION CHARGES** - Any provision requiring the Agency to pay a fixed amount or liquidated damages upon termination of the agreement is hereby deleted. The Agency may only agree to reimburse a Vendor for actual costs incurred or losses sustained during the current fiscal year due to wrongful termination by the Agency prior to the end of any current agreement term.
16. **RENEWAL** - Any reference to automatic renewal is deleted. The agreement may be renewed only upon mutual written agreement of the parties.
17. **INSURANCE** - Any provision requiring the Agency to purchase insurance for Vendor's property is deleted. The State of West Virginia is insured through the Board of Risk and Insurance Management, and will provide a certificate of property insurance upon request.
18. **RIGHT TO NOTICE** - Any provision for repossession of equipment without notice is hereby deleted. However, the Agency does recognize a right of repossession with notice.
19. **ACCELERATION** - Any reference to acceleration of payments in the event of default or non-funding is hereby deleted.
20. **CONFIDENTIALITY** - Any provision regarding confidentiality of the terms and conditions of the agreement is hereby deleted. State contracts are public records under the West Virginia Freedom of Information Act.
21. **AMENDMENTS** - All amendments, modifications, alterations or changes to the agreement shall be in writing and signed by both parties. No amendment, modification, alteration or change may be made to this addendum without the express written approval of the Purchasing Division and the Attorney General.

ACCEPTED BY:

WEST VIRGINIA PARKWAYS AUTHORITY,
an agency of the State of West Virginia

VENDOR

Company Name: _____

Signed: _____

Signed: _____

Title: _____

Title: _____

Date: _____

Date: _____

GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)

1. Awards will be made in the best interest of the West Virginia Parkways Authority.
2. The Authority may accept or reject in part, or in whole, any proposal.
3. All quotations are governed by the West Virginia Code and the Legislative Rules of the Purchasing Division and The Authority's purchasing rules.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required registration fee.
5. Payment may only be made after the delivery and acceptance of goods or services.
6. Interest may be paid for late payment in accordance with the West Virginia Code.
7. Vendor preference, if applicable, will be granted upon written request in accordance with the West Virginia Code.
8. Agencies of The State of West Virginia are exempt from federal and state taxes and will not pay or reimburse such taxes.
9. The Authority's Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the vendor.
10. The laws of the State of West Virginia and the Legislative Rules shall govern all rights and duties under the Contract, including without limitation the validity of this Contract.
11. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
12. BANKRUPTCY: In the event the vendor/contractor files for bankruptcy protection, this Contract may be deemed null and void, and terminated without further order.
13. HIPAA Business Associate Addendum - The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.

INSTRUCTIONS TO BIDDERS

1. Use the RFP forms provided by the Authority.
2. SPECIFICATIONS: Services offered must be in compliance with the provisions of the RFP. Any deviations must be clearly indicated by the proposer in the proposal. Alternates offered by the proposer as EQUAL to those specified in the RFP must be clearly defined. The Authority, because of the unique nature of the services to be provided under the RFP, may decide not to accept EQUAL services under the RFP. A proposed offering an alternate should attach complete specifications and literature to the proposal. The Purchasing Director may waive minor deviations to certain requirements.
3. Complete all sections of the proposal form.
4. Unit prices shall prevail in cases of discrepancy.
5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
6. PROPOSAL SUBMISSION: All quotations must be delivered by the proposer to the office listed prior to the date and time of the proposal opening. Failure to deliver the proposal on time will result in disqualifications.

Rev. 12/28/16

WV PARKWAYS AUTHORITY